

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 2465.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1445

VETERANS ENTREPRENEURSHIP AND BENEFITS IMPROVEMENT ACT OF 2003

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1460) to amend title 38, United States Code, to permit the use of education benefits under such title for certain entrepreneurship courses, to permit veterans enrolled in a vocational rehabilitation program under chapter 31 of such title to have self-employment as a vocational goal, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans Entrepreneurship and Benefits Improvement Act of 2003".

SEC. 2. AUTHORIZATION FOR STATE APPROVING AGENCIES TO APPROVE CERTAIN ENTREPRENEURSHIP COURSES.

(a) APPROVAL OF ENTREPRENEURSHIP COURSES.—Section 3675 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) A State approving agency may approve the entrepreneurship courses offered by a qualified provider of entrepreneurship courses.

"(2) For purposes of this subsection, the term 'entrepreneurship course' means a non-degree, non-credit course of business education that enables or assists a person to start or enhance a small business enterprise.

"(3) Subsection (a) and paragraphs (1) and (2) of subsection (b) do not apply to—

"(A) an entrepreneurship course offered by a qualified provider of entrepreneurship courses; and

"(B) a qualified provider of entrepreneurship courses by reason of such provider offering one or more entrepreneurship courses."

(b) BUSINESS OWNERS NOT TREATED AS ALREADY QUALIFIED.—Section 3471 of such title is amended by inserting before the last sentence the following: "The Secretary shall not treat a person as already qualified for the objective of a program of education offered by a qualified provider of entrepreneurship courses solely because such person is the owner or operator of a business."

(c) INCLUSION OF ENTREPRENEURSHIP COURSES IN DEFINITION OF PROGRAM OF EDU-

CATION.—Subsection (b) of section 3452 of such title is amended by adding at the end the following: "Such term also includes any course, or combination of courses, offered by a qualified provider of entrepreneurship courses."

(d) INCLUSION OF QUALIFIED PROVIDER OF ENTREPRENEURSHIP COURSES IN DEFINITION OF EDUCATIONAL INSTITUTION.—Subsection (c) of section 3452 of such title is amended by adding at the end the following: "Such term also includes any qualified provider of entrepreneurship courses."

(e) DEFINITION OF QUALIFIED PROVIDER OF ENTREPRENEURSHIP COURSES.—Section 3452 of such title is further amended by adding at the end the following new subsection:

"(h) The term 'qualified provider of entrepreneurship courses' means—

"(1) a small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), and

"(2) the National Veterans Business Development Corporation (established under section 33 of such Act (15 U.S.C. 657c)) insofar as the Corporation offers or sponsors an entrepreneurship course (as defined in section 3675(c)(2) of this title)."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to courses approved by State approving agencies after the date of the enactment of this Act.

SEC. 3. PROCUREMENT PROGRAM FOR CERTIFIED SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS, ETC.

(a) ESTABLISHMENT OF PROGRAM.—The Small Business Act (15 U.S.C. 631 et seq.) is amended by redesignating section 36 as section 38 and by inserting after section 35 the following new sections:

"SEC. 36. PROCUREMENT PROGRAM FOR CERTIFIED SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS.

"(a) SOLE SOURCE CONTRACTS.—In accordance with this section, a contracting officer may award a sole source contract to any certified small business concern owned and controlled by qualified service-disabled veterans if—

"(1) such concern is determined to be a responsible contractor with respect to performance of such contract opportunity and the contracting officer does not have a reasonable expectation that 2 or more certified small business concerns owned and controlled by qualified service-disabled veterans will submit offers for the contracting opportunity;

"(2) the anticipated award price of the contract (including options) will not exceed—

"(A) \$5,000,000, in the case of a contract opportunity assigned a standard industrial classification code for manufacturing; or

"(B) \$3,000,000, in the case of any other contract opportunity; and

"(3) in the estimation of the contracting officer, the contract award can be made at a fair and reasonable price.

"(b) RESTRICTED COMPETITION.—In accordance with this section, a contracting officer may award contracts on the basis of competition restricted to certified small business concerns owned and controlled by qualified service-disabled veterans if the contracting officer has a reasonable expectation that not less than 2 certified small business concerns owned and controlled by qualified service-disabled veterans will submit offers and that the award can be made at a fair market price.

"(c) ENFORCEMENT; PENALTIES.—Rules similar to the rules of section 31(c) shall apply for purposes of this section.

"(d) COLLECTION OF DATA REGARDING SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.—

"(1) SURVEY.—Not later than 2 years after the date of the enactment of this section and each 3 years thereafter, the Administrator, in consultation with the Secretary of Veterans Affairs, shall complete a survey of service-disabled veterans receiving benefits under title 38, United States Code, to determine the number, identity, and primary industry classification of small business concerns owned and controlled by service-disabled veterans.

"(2) REPORT TO CONGRESS.—The Administrator, in consultation with the Secretary of Veterans Affairs, shall report to Congress on the results of each survey conducted under paragraph (1). Such report shall include the total number of small business concerns owned and controlled by service-disabled veterans.

"(e) CONTRACTING OFFICER.—For purposes of this section and section 37, the term 'contracting officer' has the meaning given such term in section 27(f)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)(5)).

"SEC. 37. PRIORITY OF SMALL BUSINESS PROCUREMENT PREFERENCES.

"(a) IN GENERAL.—A contracting officer may not make a procurement from a source on the basis of a preference provided under any provision of this Act referred to in subsection (b) unless the contracting officer has determined that such procurement cannot be made on the basis of a preference provided under another provision of this Act with a higher priority under such subsection.

"(b) ORDER OF PRIORITY.—For purposes of this section, the following provisions of this Act are listed in order of priority from highest to lowest:

"(1) Section 8(a).

"(2) Section 36(b).

"(3) Section 36(a).

"(4) Section 31(b)(2)(B).

"(5) Section 31(b)(2)(A).

"(6) Section 8(m).

"(c) PRIORITY OF CERTAIN OTHER PROCUREMENT PREFERENCES.—A procurement may not be made from a source on the basis of a preference provided under any provision of this Act referred to in subsection (b) if the procurement would otherwise be made from a different source under section 4124 or 4125 of title 18, United States Code, or the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.)."

(b) CERTIFIED SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.—Subsection (q) of section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following new paragraph:

"(5) CERTIFIED SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS.—

"(A) QUALIFIED SERVICE-DISABLED VETERAN.—The term 'qualified service-disabled veteran' means any veteran who—

"(i) has one or more disabilities that are service-connected (as defined in section 101(16) of title 38, United States Code) and rated at 10 percent or more by the Secretary of Veterans Affairs; or

"(ii) is entitled to benefits under section 1151 of title 38, United States Code.

"(B) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS.—The term 'small business concern owned and controlled by qualified service-disabled veterans' means a small business concern—

"(i) not less than 51 percent of which is owned by one or more qualified service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more qualified service-disabled veterans; and

“(ii) the management and daily business operations of which are controlled by one or more qualified service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

“(C) CERTIFIED SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS.—The term ‘certified small business concern owned and controlled by qualified service-disabled veterans’ means any small business concern owned and controlled by qualified service-disabled veterans that is certified by the Administrator as being such a concern.”

(c) CONFORMING AMENDMENTS.—Paragraph (2) of section 31(b) of the Small Business Act (15 U.S.C. 657a(b)) is amended—

(1) by striking “Notwithstanding any other provision of law” and inserting “In accordance with this section”;

(2) in subparagraph (B)—

(A) by striking “a contract opportunity shall be awarded pursuant to this section” and inserting “a contracting officer may award contracts”;

(B) by striking “; and” at the end and inserting a period; and

(3) by striking subparagraph (C).

(d) DEPARTMENT OF VETERANS AFFAIRS PILOT PROGRAM.—

(1) IN GENERAL.—In the case of a contracting officer of the Department of Veterans Affairs, the provisions of the Small Business Act referred to in paragraphs (1), (2), and (3) of section 37(b) of such Act shall be treated as being equal in priority for purposes of applying section 37 of such Act.

(2) TERMINATION.—Paragraph (1) shall not apply with respect to procurements made after September 30, 2007.

SEC. 4. AUTHORIZATION TO PROVIDE ADAPTED HOUSING ASSISTANCE TO CERTAIN DISABLED MEMBERS OF THE ARMED FORCES WHO REMAIN ON ACTIVE DUTY.

Section 2101 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(c)(1) The Secretary may provide assistance under subsection (a) to a member of the Armed Forces serving on active duty who is suffering from a disability described in paragraph (1), (2), or (3) of that subsection if such disability is the result of an injury incurred or disease contracted in or aggravated in line of duty in the active military, naval, or air service. Such assistance shall be provided to the same extent as assistance is provided under that subsection to veterans eligible for assistance under that subsection and subject to the requirements of the second sentence of that subsection.

“(2) The Secretary may provide assistance under subsection (b) to a member of the Armed Forces serving on active duty who is suffering from a disability described in subparagraph (A) or (B) of paragraph (1) of that subsection if such disability is the result of an injury incurred or disease contracted in or aggravated in line of duty in the active military, naval, or air service. Such assistance shall be provided to the same extent as assistance is provided under such subsection to veterans eligible for assistance under that subsection and subject to the requirements of paragraph (2) of that subsection.”

SEC. 5. REINSTATEMENT OF MINIMUM REQUIREMENTS FOR SALE OF VENDEE LOANS.

(a) IN GENERAL.—Section 3733(a) of title 38, United States Code, is amended—

(1) by striking paragraph (2) and redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively; and

(2) in subparagraph (B)(i) of paragraph (3), as so redesignated, by striking “paragraph (5) of this subsection” and inserting “paragraph (4)”.

(b) INCREASE IN MAXIMUM PERCENTAGE.—Section 3733(a)(1) of such title is amended—

(1) by striking “65 percent” in the first sentence and inserting “85 percent”; and

(2) by striking the second sentence.

(c) STYLISTIC AMENDMENT.—Section 3733 of such title is amended by striking “paragraph (1) of this subsection” each place it appears and inserting “paragraph (1)”.

SEC. 6. PAYMENT OF ACCRUED BENEFITS.

(a) REPEAL OF LIMITATION ON PAYMENT.—Subsection (a) of section 5121 of title 38, United States Code, is amended by striking “for a period not to exceed two years” in the matter preceding paragraph (1).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to deaths occurring on or after the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. ADERHOLT). Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Maine (Mr. MICHAUD) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I begin discussing our bill, Mr. Speaker, I would like to note with great sadness the passing of the former chairman of the Committee on Veterans Affairs, Bob Stump. Bob was a great friend to all of those who served in the Armed Forces since his own Naval experience as a Navy corpsman serving in the South Pacific during World War II. Although you did not see Bob making the rounds on the Sunday morning talk shows, his words, and especially his actions and deeds, spoke volumes about his dedication to all those who serve and have served our country in the United States military.

Bob served in Congress for 26 years. He was chairman of the House Committee on Veterans Affairs from 1995 to 2000, and then chaired the House Committee on Armed Services until his retirement in December of 2002. He has left a lasting legacy of service to our country, and he will be dearly missed.

On behalf of the Committee on Veterans Affairs, I want to express our condolences to his wife, Nancy, his children, Karen, Hoot, and Bruce, and to his grandchildren as well.

Mr. Speaker, I rise today in strong support of H.R. 1460, as amended, the Veterans Entrepreneurial and Benefits Improvement Act of 2003. The Committee on Veterans Affairs reported H.R. 1460 unanimously on May 15 as a result of the initiative of the gentleman from Arizona (Mr. RENZI), who introduced the bill. This bill was introduced following a hearing on the state of veterans employment on February 5 at which the gentleman from Arizona (Mr. RENZI) highlighted the seriously inadequate performance of Federal agencies in reaching out to disabled veteran-owned businesses. Since then, the ranking member, the gentleman from Illinois (Mr. EVANS), and I have worked closely with the chairman, the gentleman from Illinois (Mr. MAN-

ZULLO), and the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ), of the Committee on Small Business with respect to section 3 of the bill on which the Committee on Small Business had jurisdiction.

I am pleased that we have been able to formulate language agreeable to both committees, and I want to thank the gentleman from Illinois (Mr. MANZULLO) and the gentlewoman from New York (Ms. VELÁZQUEZ) for their cooperative efforts.

Mr. Speaker, disabled American veterans deserve a full opportunity to participate in the economic system that they fought so hard to defend. Section 2 of the bill would make improvements to the veteran and service-disabled veteran's small business opportunities by authorizing for the first time the use of VA education benefits to pay for non-degree/noncredit courses. These courses are offered by the Small Business Development Center and the National Veterans Business Development Corporation.

Section 3 of the bill has been, if you want to look at it one way, almost 23 years in the making. It contains a disabled veterans contracting preference provision derived from the 1980 White House Conference on Small Business convened by then-President Jimmy Carter.

The 1981 consultant report of the SBA Veterans Project and the 1999 report of the bipartisan Congressional Commission on Servicemembers and Veterans Transition Assistance made similar-type recommendations.

This provision for the first time would authorize Federal agencies to create sole-source contracts for disabled veteran-owned and -controlled small businesses. It would also furnish Federal agencies discretionary authority to restrict contracts to disabled veteran-owned and -controlled businesses if at least two such concerns were qualified to bid on the contract. This is the first time Federal contracting officers will have such authority.

Section 3 would also create a 4-year pilot in the Department of Veterans Affairs, service-disabled veterans-controlled businesses, and would have the same contracting priority as SBA's 8(a) program for socially and economically disadvantaged small business.

For all other Federal agencies, service-connected disabled-veteran-owned and -controlled businesses would be accorded priority to be awarded procurement contracts above the women-owned and HUBZone priorities, but just below 8(a) priorities.

In all cases, to be eligible for these procurement preferences, veterans who own and control small businesses would need to have at least a 10 percent service-connected disability.

The Federal Government, Mr. Speaker, contracts for about \$235 billion in goods and services annually. America's sons and daughters who became disabled in their service to the Nation will

now have some of the same types of contracting preferences accorded to other deserving groups.

Section 4 of the bill, Mr. Speaker, would extend VA's specially adapted housing grant to severely disabled service members prior to separation from active duty service. Under current law, an otherwise eligible servicemember may not apply for home modification assistance until he or she is actually separated from the military or placed on the temporary-disabled retirement list.

I want to commend the gentleman from Illinois (Mr. EVANS) for his leadership in putting together this important provision.

Section 5 would reinstate the Department of Veterans Affairs' vendee loan programs, which the VA administratively terminated last January. I want to thank the gentleman for joining me for authoring this provision.

When a purchaser agrees to buy a foreclosed VA home, VA often offers to finance the sale by establishing a vendee loan to encourage the prompt sale of a home. Vendee loans are made at market interest rates and often require a down payment. Borrowers are assessed a 2.25 percent funding fee that is paid in each case. The vendee loan program is based on sound business principles, and there is an ample body of empirical evidence to suggest that offering vendee financing is highly cost effective to the government. In March, for example, of 2002, a Booz, Allen, Hamilton study found that cost effectiveness of vendee loan financing, their report said that the government would save \$16 million a year starting in 1999.

Finally, section 6 of the bill would repeal the existing 2-year limitation on accrued benefits so that a veteran survivor may receive the full amount of an award and of benefits and may not be penalized if VA does not process the claim in a timely manner. This section is derived from H.R. 241, legislation that I introduced earlier this year.

Finally, I want to thank especially the good leadership that the gentleman from Arizona (Mr. RENZI) has provided in shaping this legislation. As always, I wanted to thank my good friend and colleague, the gentleman from Illinois (Mr. EVANS), for his work on this, as well as the gentleman from Maine (Mr. MICHAUD) who is representing the minority in presenting this bill to the floor today and for his good work as ranking member of the subcommittee.

Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to express my strong support for H.R. 1460, the Veterans Entrepreneurship and Benefits Improvement Act of 2003, which I am a proud co-sponsor of. I also would like to thank the chairman of the committee, the gentleman from New Jersey (Mr. SMITH); the ranking member, the gentleman from Illinois (Mr. EVANS); and the chairman of the Sub-

committee on Benefits, the gentleman from South Carolina (Mr. BROWN), for their work in bringing this important legislation to the floor.

This bill includes several provisions related to veterans who are owners of small businesses or who aspire to be.

I appreciate the efforts of the chairman, the gentleman from Illinois (Mr. MANZULLO); and the ranking member, the gentlewoman from New York (Ms. VELAZQUEZ); as well as the staff of the Committee on Small Business for their assistance with those provisions.

H.R. 1460 would authorize the use of VA education assistance to pay for nondegree and noncredit business courses at approved institutions. This will enable veterans to obtain educational opportunities that meet their small business goals. This legislation would also improve the ability of service-disabled veterans who own small businesses to do business with the Federal Government.

As a member of both the Committee on Small Business and the Committee on Veterans Affairs, I am pleased that we are considering this legislation to help service-disabled veterans to obtain government contracts. These men and women who have sacrificed so much for this country, they are disabled as a result of their service to our Nation. The least that we can do is to say if you own a small business, then you should have the opportunity to obtain contracts from the Federal Government.

I am particularly disappointed about the number of service-disabled veterans who are obtaining Federal contracts. The number is already unacceptably small, and it has actually decreased over the past year. As Angela Styles of the Office of Management and Budget testified earlier this year, the Federal Government's record for contracts to service-disabled veterans is abysmal.

This bill will help improve that record. Section 4 of the bill includes provisions from H.R. 761, introduced by the ranking member, the gentleman from Illinois (Mr. EVANS), and by the chairman, the gentleman from New Jersey (Mr. SMITH). These provisions would allow servicemembers such as those seriously disabled during the Iraq War to obtain special adapted housing grants before being discharged from military service. These grants are available only to the most severely disabled veterans.

Under current law, servicemembers with severe disabilities may have their hospital discharge delayed if, for example, they do not have a wheelchair-accessible home available. But we can speed up the process by giving them their assistance immediately. Since they will meet the requirements as soon as they are discharged, there is no reason to delay providing them with assistance while their discharge is pending. This is a sensible, cost-effective and humane provision.

Section 5 of the bill would reinstate a particularly effective VA vendee home

loan program, and I am puzzled as to what the reasons were for terminating such an effective, cost-saving program; and I am pleased that Congress is taking action to reinstate it.

H.R. 1460 also includes a provision of H.R. 241, which removes the time limitation on accrued benefits paid to the families of veterans who died while a claim for veterans benefits is pending. I have veterans in my district in Maine with claims which have been pending for many years. I hope none of them passes away while waiting for a decision. Should they do so, I want their families to see the full retroactive benefit to which the veteran is entitled.

I urge all Members to support this bill.

Finally, Mr. Speaker, I note with sadness the passing of a long-time friend of this Nation's veterans and former chair of our committee, Bob Stump. Although I did not have the opportunity to work with Mr. Stump, I appreciate the legacy of bipartisan cooperation he has left with the Committee on Veterans Affairs, similar to the gentleman from New Jersey (Chairman SMITH).

I would like to extend my sympathy and that of all members of this body to his wife and his children.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Arizona (Mr. RENZI), the author of the bill.

Mr. RENZI. Mr. Speaker, I too want to share the words and the memories of Congressman Bob Stump. I am privileged to serve a major portion of the district in Arizona that he served so greatly for many, many years and more so, to learn more about him through the experience of his staff members who now work for me here in Washington. In addition, what I have learned greatly with serving with the Committee on Veterans Affairs under his mentorship and leadership has been a great influence on me.

I thank the gentleman from New Jersey (Mr. SMITH) for those words, and to the gentleman from Maine (Mr. MICHAUD) I am also grateful. I will pass those on at the ceremony honoring Bob Stump this Wednesday in Arizona.

□ 1500

Mr. Speaker, I am pleased to stand here today in support of the thousands of service-disabled veteran small business owners across the Nation who want to do business with the Federal Government. The distinguished members of our community and the successful small businesses are an integral part of the backbone of our economy; the same economy they fought for so bravely; the same economy that they gave their personal sacrifice to preserve and protect.

I want to thank the gentleman from New Jersey (Mr. SMITH), the chairman, because it is he who saw this many years ago and helped pull together the various portions of this legislation to build a bill that the gentleman from Illinois (Mr. EVANS), the ranking member, has supported, the gentleman from Illinois (Mr. MANZULLO), the gentleman from New York (Ms. VELÁZQUEZ), and also our distinguished ranking member on the subcommittee, the gentleman from Maine (Mr. MICHAUD). I also want to thank the gentleman from South Carolina (Mr. BROWN) for allowing me to move forward this legislation, though it came under jurisdiction of his committee, and I especially want to thank the Committee on Veterans Affairs staff for their leadership and guidance in developing this legislation. They put a lot of hours into making this bill a reality.

This bill is a first step in improving our current practice of contracting opportunities, and I look forward to working with the Committee on Veterans Affairs in the future and with the Committee on Small Business to further extend these small business opportunities.

Our purpose in introducing this legislation was to give service-disabled business owners and Federal contractors the tools they need to meet the government-wide statutory goal of 3 percent established in Public Law 106-50. When the Committee on Veterans Affairs held an oversight hearing chaired by our committee chairman, the gentleman from New Jersey (Mr. SMITH), on February 5, the state of veterans entrepreneurship program was discouraging to hear. In many cases, there were only several agencies that had Federal contracts with any of our service-disabled veterans and many did not even reach 1 percent. This is unacceptable and our veterans deserve better.

This bill sets out to lift these barriers that have denied service-disabled veterans the opportunities to fully participate in Federal contracting, and we are morally bound to promote the successful employment of those who have borne the battle and bear the scars of freedom for all Americans.

For the first time, this legislation, H.R. 1460, will allow veterans to use the Montgomery GI bill to educate themselves and to take entrepreneurial courses from small business centers. The National Veterans Business Development Centers Corporation will also be included in their ability to teach many of our veterans. This gives veterans the business education and training they need to successfully operate small businesses, and it is a real investment towards improving our economy and our veterans' livelihood.

Secondly, we recognize certified small business owners as a source of Federal procurement programs. Service-disabled veterans have a tougher journey ahead of them when they re-

turn from duty with a disability, and these veterans are comprised of individuals of all races and both genders. Veterans have earned the right to compete for contracts on the same level as other classes of individuals.

We hope that in the future those who have served within the Department of Defense and have provided homeland security will also have a priority in contracting with DOD and the Department of Homeland Security.

Small business-contracting Federal officers will note that Public Law 106-50 directed the creation of a database of small businesses that have identified themselves as being owned by service-disabled American veterans. This has been a labor intensive task, and I commend the Department of Veterans Affairs for their progress in realizing this effort. It is critically important that our Federal contractors have access to this information and be able to identify veteran-owned businesses that qualify for prime and subcontractor awards.

This legislation is a beginning. This tool can be used by veteran contracting officers to find service-disabled veteran businesses and help them achieve the statutory goal of 3 percent.

I want to thank again the gentleman from New Jersey (Mr. SMITH) for his leadership and his kindness towards me and generosity. I thank everyone on the Committee on Veterans Affairs, and I hope disabled American veterans will find a way now to help grow their businesses and prosper.

Mr. MICHAUD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself an additional minute.

I again want to thank my friends on the other side of the aisle for their good hard work on this legislation, and I especially want to thank the extraordinary work by the author of it, the gentleman from Arizona (Mr. RENZI). This is a bill that will help so many of our veterans who are service-connected disabled who are in the business realm to get the kind of government contracts that they are deserving of and hopefully will lead to greater wealth and a capability on their part to provide for their families and for their loved ones.

This is a good bill. It is pro-business, it is pro-veteran, and it deserves the support of everybody in this Chamber.

Mr. Speaker, again, I want to thank our subcommittee chairman, the gentleman from South Carolina (Mr. BROWN), and again, the gentleman from Maine (Mr. MICHAUD), who is the ranking member, for their work on this bill, for marking it up and bringing it forward to the full committee where we marked it up and passed it unanimously.

Mr. EVANS. Mr. Speaker, I support H.R. 1460, the Veterans' Entrepreneurship and Benefits Improvement Act of 2003 and urge passage by this Chamber. I would like to thank CHRIS SMITH, chairman of the full com-

mittee, the Benefits Subcommittee chairman, HENRY BROWN and ranking member, MICHAEL MICHAUD, for their hard work in bringing this legislation to the floor. I also want to acknowledge the contributions of DON MANZULLO and NYDIA VELÁZQUEZ, chairman and ranking member of the House Small Business Committee, along with their respective staffs for assisting us in crafting this legislation.

I am proud to be an original cosponsor of this bill as it provides increased opportunities for veterans to develop their entrepreneurial skills and become successful small business owners. Mr. Speaker, H.R. 1460 is a good bill and a step in the right direction with respect to its small business contracting provisions. The Federal Government engages in procurement contracts of up to \$235 billion a year. Surely, service-disabled veteran small business owners deserve an opportunity to participate in this system.

Section 2 authorizes the use of VA education assistance to pay for nondegree and noncredit business courses at approved institutions. This provision should expand the educational and training opportunities for service-disabled veterans.

Section 3 authorizes Federal agency contracting officers to create sole source and restricted competition contracts for "certified" service-disabled veteran small business owners; requires the collection of relevant data and a report to Congress on service-disabled small business owners; and establishes a 4-year pilot program at the Department of Veterans Affairs through which service-disabled veteran small business owners would receive equal priority among all small business programs.

Section 4 is derived from a bill, H.R. 761, which I introduced. It would allow servicemembers to apply for and receive a grant for specially adapted housing while still in military service. This legislation was prompted by reports of seriously disabled servicemembers having to remain hospitalized until they were discharged from military services because they could not obtain a grant for specially adapted housing until after leaving military service. Without such a grant they were unable to obtain accessible housing. There is no question that these servicemembers will be discharged from military service. In order to qualify for the specially adapted housing grant, severe disabilities incompatible with continued military service are required. I hope that the Senate will act quickly to pass this legislation. I do not want to see severely disabled servicemembers from the recent Iraq war unnecessarily hospitalized due to the lack of accessible housing.

Section 5 reinstates the VA's vendee loan program. The vendee loan program is a successful program that allows VA to finance loans to a new veteran or non-veteran purchaser when the prior loan has been foreclosed upon and VA has received the property. By allowing vendee loans, the VA is able to sell the property more quickly and at a higher cost than is possible with conventional financing. VA abruptly ended this program earlier this year. I strongly favor its reinstatement.

Finally, section 6 would allow a surviving spouse or dependent children to receive accrued benefits if the veteran dies while a claim for VA periodic monetary benefits is being processed. Currently there is a 2-year time

limit on the retroactive period. I have introduced legislation to allow family members to continue the claims of veterans who die while a claim is pending. This provision is a good first step. The government should not be allowed to deny retroactive payments when the government's inaction is responsible for delayed adjudication of a claim.

Again, I thank my colleagues on the Veterans' Affairs Committee for their hard work and I urge my colleagues to vote to pass this legislation.

Mr. BROWN of South Carolina. Mr. Speaker, as an original sponsor of H.R. 1460, as amended, the "Veterans Entrepreneurship and Benefits Improvement Act of 2003. I encourage my colleagues to support this legislation. I commend representative RENZI, Chairman SMITH and Ranking Member EVANS of the Committee on Veterans Affairs, and Chairman MANZULLO and Ranking Member VELÁZQUEZ of the Small Business Committee for bringing this important legislation to the floor for consideration.

I especially want to comment on sections two and three of the bill.

Section two would allow veterans, disabled veterans, dependents of totally disabled or deceased veterans, and active-duty members of the Selected Reserve to use their VA benefits to pursue pre-entrepreneurship and entrepreneurship courses offered under the auspices of Small Business Development Centers and the National Veterans Business Development Corporation. Small businesses in the last decade accounted for about 70 percent of the new jobs created in our economy.

The men and women who have served in our military indeed are engaging and resourceful individuals. Indeed, the 1999 report of the bipartisan Congressional Commission on Servicemembers and Veterans Transition Assistance found the following: "a 5-year profile survey of veteran-owned businesses in Massachusetts conducted in the late 1980's and early 1990's showed that a pool of approximately 2,000 veterans engaged in micro businesses generated \$74 million in taxable income for the Commonwealth of Massachusetts." And that is just in one state. With the availability of training under this bill, more veterans will be able to obtain the skills they need to start and grow their own small businesses. As Deputy Secretary of Veterans Affairs, Dr. Leo S. Mackay, Jr. testified at our April 30th hearing, "the potential for positive effects on the economy, with enhanced competition and creativity within the marketplace, is significant."

Section three of the bill would place disabled veteran-owned and controlled small businesses on a par with socially and economically disadvantaged veterans in the 8(a) contracting program for procurement contracts offered by the Department of Veterans Affairs for the next four years. This authority would apply to "setaside" and restricted competition contracts to be applied by contracting officers on a discretionary basis. For all Federal agencies, disabled veteran-owned and controlled small businesses would rank ahead of HUBZone and women-owned businesses in procurement preferences, but behind the 8(a) program. I find these types of preference as a needed 'first step' because of two additional findings of the Transition Commission: first, "Disabled-veteran entrepreneurs require additional assistance because these business

owners encounter costs and impediments that are not factors for their non-disabled competitors. Second, as a matter of fundamental fairness, Congress should accord veterans a full opportunity to participate in the economic system that their service sustains."

Lastly, Mr. Speaker, I would note for the RECORD that the current independent Task Force for Veterans Entrepreneurship, the aforementioned Transition Commission, the 1981 expert report of the SBA Veterans Project, and the 1980 White House Conference on Small Business all recommended some type of federal "setaside" authority for disabled-veteran owned and controlled small businesses in the purchase of goods and services.

I encourage my colleagues to support this legislation.

Mr. REYES. Mr. Speaker, I rise in support of H.R. 1460. The provisions of this legislation remove barriers to small business ownership for veterans. H.R. 1460 allows veterans to use their education benefits to pay for non-degree or non-credit courses of entrepreneurship, enabling them to learn the skills that they will need when starting and running their own businesses. The bill additionally amends the Small Business Act to give small businesses owned by service disabled veterans the opportunity to secure sole source contracts from the Federal Government. By giving those participating in a veteran's rehabilitation program the chance to name self-employment as their vocational goal, H.R. 1460 makes entrepreneurship a viable career option for many for whom it was not before.

The passage of this legislation would mean a lot for those veterans who, like so many other Americans, dream of working for themselves. The opportunities that H.R. 1460 provides for self-employment are especially meaningful when salaried jobs can be so difficult to find. Large numbers of veterans live in my home district of El Paso, Texas where we unfortunately also have a high unemployment rate. A community like mine is a prime example of why we must provide veterans with the tools they need to become successful entrepreneurs. I urge my colleagues to join me in supporting this bipartisan legislation.

Mr. SMITH of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore (Mr. ADERHOLT). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 1460, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas-and-nays.

The yeas-and-nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that

all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1460, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6:30 p.m. today.

Accordingly (at 3 o'clock and 6 minutes p.m.), the House stood in recess until approximately 6:30 p.m. today.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CULBERSON) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on four motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H. Res. 264, by the yeas and nays;

H. Res. 177, by the yeas and nays;

H. Con. Res. 209, by the yeas and nays; and

H.R. 2465, by the yeas and nays.

Proceedings on H.R. 1460 will resume tomorrow.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

EXPRESSING SYMPATHY FOR VICTIMS OF ALGERIAN EARTHQUAKE

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 264.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and agree to the resolution, H. Res. 264, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 382, nays 1, not voting 51, as follows:

[Roll No. 297]

YEAS—382

Abercrombie	Baca	Barrett (SC)
Ackerman	Bachus	Bartlett (MD)
Aderholt	Baird	Barton (TX)
Akin	Baker	Bass
Alexander	Baldwin	Beauprez
Allen	Ballance	Becerra
Andrews	Ballenger	Bell